



Machiavelli and the Global Compass: Ends and Means in Ethics and Leadership

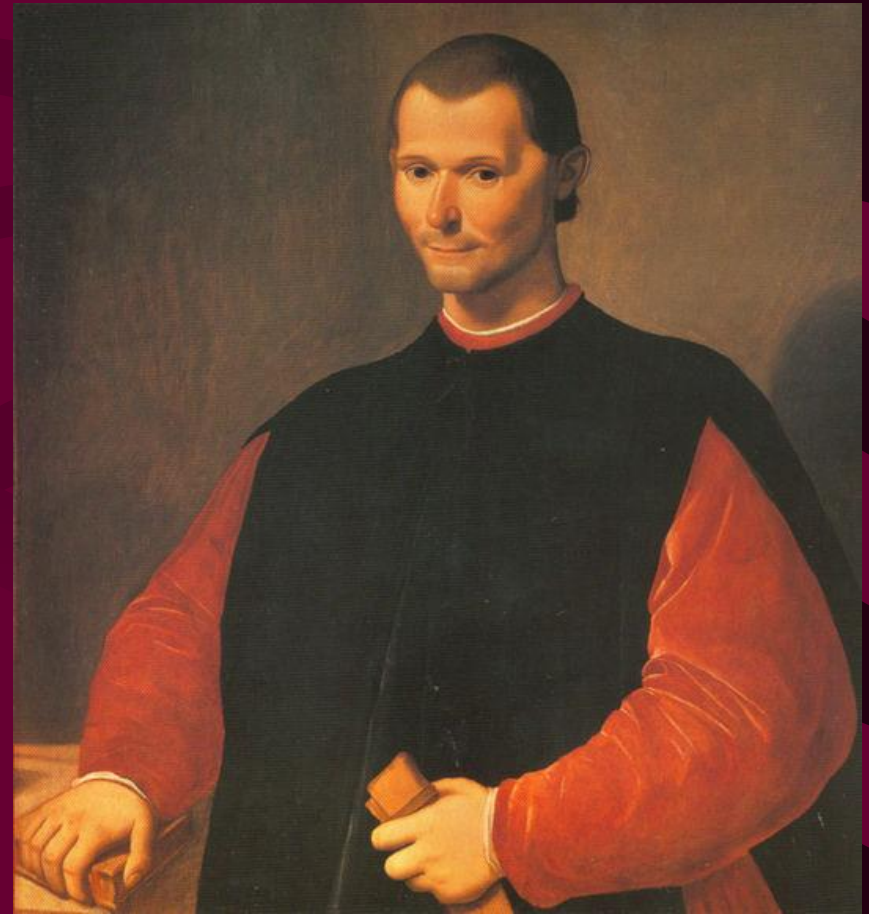
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Niccolo Machiavelli

- Lived 1469-1527
- Meritocratic Rise
- Desire to Serve
- Exceptional Observer
- First Political Scientist and Political Marketer
- Strength and Direction
- Forced Retirement



Machiavelli's Epigrammatic Style

'All armed prophets conquered, all the unarmed perished.'

The Prince.

'Everyone sees what you appear to be; few experience what you really are.'

The Prince.

Machiavelli's Epigrammatic Style

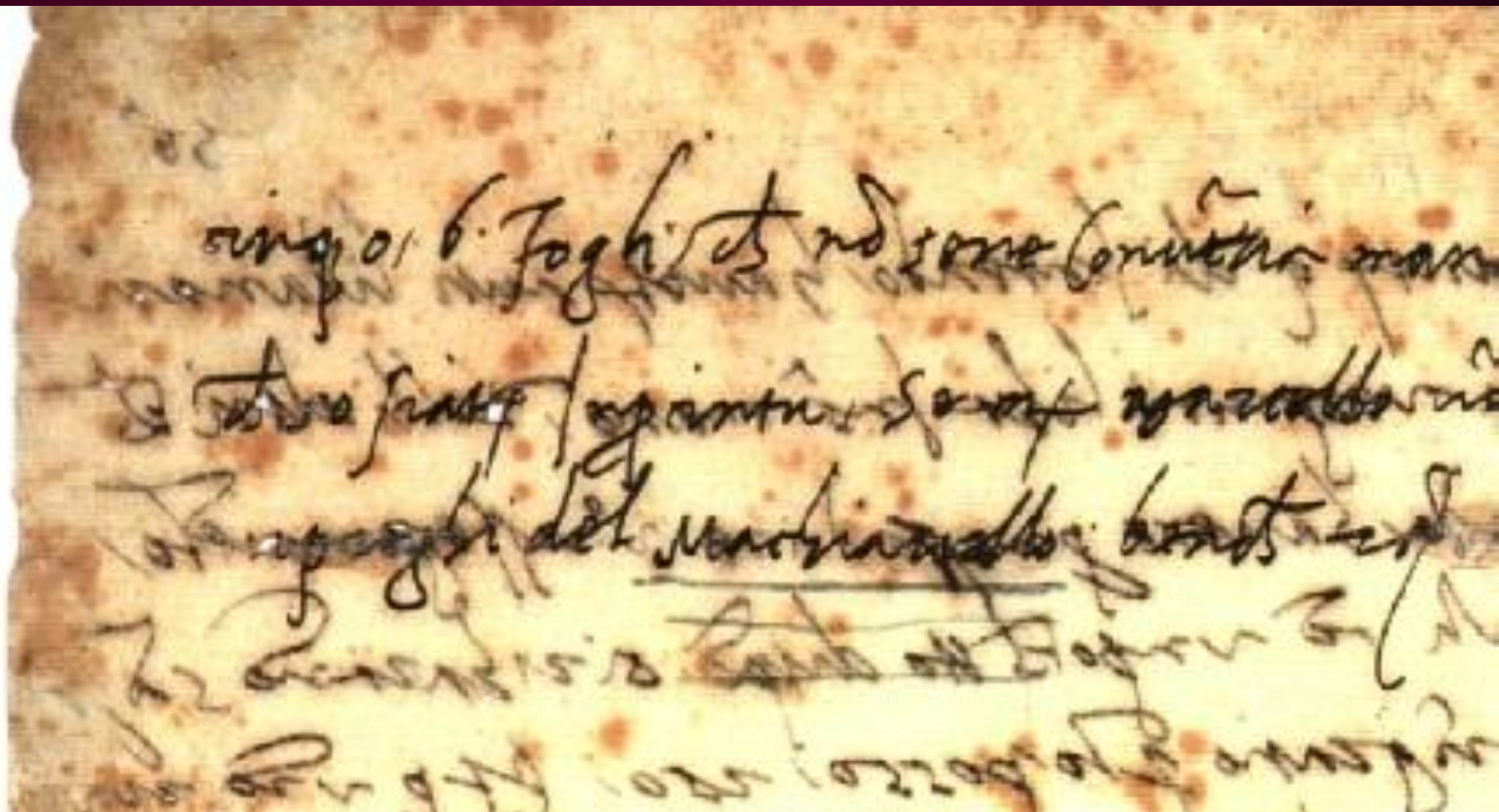
'Old injuries are never suppressed
by new benefits.'

Discourses on Livy.

'Wars begin when you will,
but they do not end when you please.'

History of Florence.

Original Machiavellian Script



Machiavelli's Moral Compass

- Liberty and the role of the state. Need for freedom from external domination and instability, to obtain freedom.
- Virtù: Vitality, Energy & Courage.
Allows will & strength to overcome diversity/opposition
- Fortuna: Essentially Fortune.
- Virtuous men and women will know how to act when required.

Machiavelli's Core Thoughts

- **Morality. 16th or 21st Century**
- **Two levels of ethics. Public and Private.**
- **Moral worth of one not superior to other.**
- **That which would produce the most practical result should take precedence.**
- **Government will have to act in ways that are publicly moral but privately immoral.**

Machiavelli and Morality

- Are You Machiavellian ?
- Studies in banking, health care and general management
- Public Sector Decision Making

Machiavelli's Moral Compass and reflections on Public Affairs

- Growth of Lobbying. EU, WTO etc
- Abuse and increased regulation
- Growth in response to complexities of global market/government as regulator
- Lobbying over £7 billion in EU
- Nolan Committee, Standards in Public Life.

Core Features of Public Affairs

- **Issues Monitoring and response**
- **Ability to access and be able to use best resources**
- **Acting as corporate advocates**
- **Environmental scanning**
- **Government and Trade Association Lobbying**
- **Government relations and political action.**
- **Handling community relations/social responsibility**
- **Serving as corporate intelligence**

What do they do ?

- **Briefing officials**
- **Briefing Government privately**
- **Media/Briefings Strategy**
- **Briefing Politicians privately**
- **Media campaigning**
- **Researching issues and advising on implications. Policy Development**
- **Dialogue with Consumers, NGO's and Stakeholders**

Jack Abramoff: Cesare Borgia MkII



Jack Abramoff Lobbying Activities

- Leading Republican Lobbyist, set-up Independent Freedom Institute in Washington,
- Indian casino lobbying against one another billed for \$75million fees.
- E-lobbying blocked the banning of internet gambling till September 2006
- Tan Holdings protecting sweatshop production which went to Levi's
- Tyco Intl, corporate scandals

Emirates using Public Affairs to gain Compensation and Advantage



Lobbying and Airbus A380 Delay

- Airbus A380. 2 year delay
- Emirates demanding £150 Million compensation for delay. Ordered 45 A380's
- Compensation suggested/lobbied for:-
 - Singapore £100 Million
 - Virgin Atlantic £20 Million
 - Quantas £40 Million

UK Aircraft Carrier Contract



Lobbying for Military Contracts

- UK Future aircraft carriers (2) plus joint combat aircraft and maritime surveillance and control projects
- Funding £ 31billion including £12 billion of acquisition costs
- UK Joint Combat Aircraft £2,034 million (US/UK contract/technology collaboration)
- Military Vehicles, Pandur (General Dynamics), General Motors supply NZ

Leadership in the Business System

- Feb. 5 2010 (Bloomberg) -- BAE Systems Plc, Europe's biggest defense company, agreed to pay almost \$450 million in fines to resolve six-year-old bribery and fraud investigations by U.K. and U.S. prosecutors.

- CRA was meant to encourage banks to make loans to high-risk borrowers, often minorities living in unstable neighbourhoods. That has provided an opening to radical groups like ACORN (the Association of Community Organizations for Reform Now) to abuse the law by forcing banks to make hundreds of millions of dollars in “subprime” loans to often uncreditworthy poor and minority customers.

Accountability and Public Morality

- **Fonterra/San Lu milk powder contamination**
- **Public Building standards in China**
- **Two Broadband worlds**
- **Distribution monopolies. Australia.**
- **Cyber Control. China, RSA and Russia**

Euro Lobbying



£35 billion
NHS budget

£30 billion
to join the euro

Hard to swallow if you're on a hospital waiting list.

no

europe yes. euro no.

The image features a large, pill-shaped graphic divided into two halves. The left half is filled with numerous small white pills, while the right half is a solid, vibrant red. Text is printed on each half. Below the pill, there is a line of text and a logo. The logo consists of the word 'no' in white lowercase letters inside a red circle. Below the logo is the slogan 'europe yes. euro no.' in a smaller, lowercase font.

Anheuser-Busch InBev N.V.

Regulatory Interventions



Corporate affairs teamwork is critical for integrated PA (issue management, lobbying), communications & media relations

Machiavelli and Effective Public Affairs

- **Need to provide information or lose influence**
- **Need to be in coalitions to compete and exert pressure effectively**
- **Effective public affairs stimulates competitiveness. After all you are thinking ahead**
- **Growth in the Application of Marketing to engage the citizen in the Political Process**

Machiavelli's Advice

- The need to appreciate real politics, achieving ends and an awareness of real decision making, whether we deem them amoral or not.
- Global ethical leadership and public affairs management, he would recognise as of vital importance to maintaining competitiveness in the 21st Century.
- The strategic importance of access and being able to influence government to gain competitive advantage.
- The importance of being able to manage the political process, being able to predict election change/results and to exert influence in campaigns to achieve just political ends.
- An appreciation of political marketing to be able to influence and predict the economic, political and regulatory landscape.

Machiavelli's Reflections

- 'Benefits should be granted a little at a time, so that they may be the better enjoyed.' **The Prince**
- 'But one thing consoles me: when something involves a number of people, no one person in particular can be blamed.' **The Mandrake Root**

A Prince's Dilemma

‘And it will always happen that he who is not your friend will request your neutrality and he who is your friend will ask you to declare yourself by taking up arms.

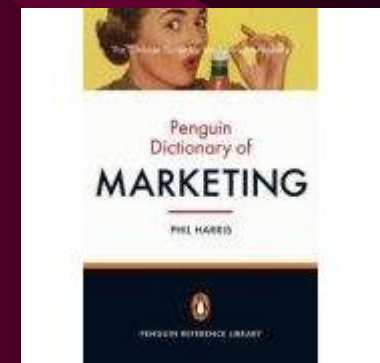
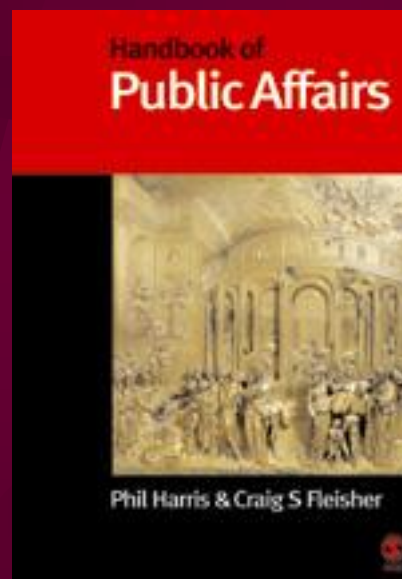
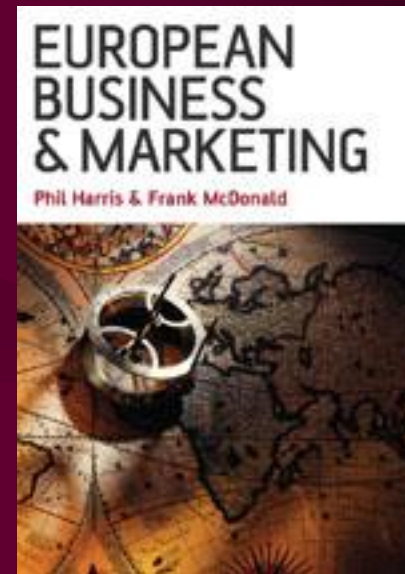
Irresolute princes, in order to avoid present dangers, follow the neutral road most of the time, and most of the time they are ruined.’

Niccolo Machiavelli, *The Prince*

Machiavelli's Advice to Politicians and Public Servants

- Need strong values
- Be bold
- Lead by example
- Strength based on power not rhetoric
- Dismiss corrupt politicians/officials

“Judge politicians by what they do in the day, rather than what they do at night”



Your Humble Servant

Phil Harris

